9611 cc: Leshe

Ms. Dana Dean, Associate Director - Mining

Division of Oil, Gas & Mining Utah Department of Natural Resources P.O. Box 145801

Salt Lake City, Utah 84114 - 5801

DATE: December 29, 2008

Attn: Paul Baker, Minerals Regulatory Program

Re: M/035/002 – Bingham Canyon Mine

Compliance - May 12, 2008 Order Vacating NOV #N2007-58-01

Quarterly Report #3

Pursuant to the May 12, 2008 Order, Rio Tinto - Kennecott Utah Copper Corporation (KUCC) reports the following significant actions and progress during the period October 1, 2008 through December 31, 2008 towards satisfaction of all conditions of the Order Vacating NOV #N2007-58-01:

- KUCC has received and reviewed the preliminary rough draft of the surface water hydrological study awarded to URS Corporation.
- DAN-W modelling progressed with the addition of the enhanced contouring.
- Updates to schematic/design drawings as well as engineering drawings of engineered structures were initiated in AutoCAD with the completion of a document search and field investigation last quarter.

We are also including with this report for your review Attachment A, Compliance Register which provides the current status of all tasks.

Please contact me or Glenn Eurick at 801-569-6050, should you have any questions concerning this submittal.

Sincerely,

Chris Kaiser Principal Advisor

Environmental Operations Support

WA BILL

Kennecott Utah Copper

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DIV. OF OIL, GAS & MINING

TASK#	TASK COMPONENT	TASK DESCRIPTION	TARGET	STATUS	SUMMARY
1	Project completion of all NOV requirements	Complete all tasks	20090729	In Process	Includes all physical and reporting tasks and actions for complete resolution of NOV Vacation Order, including quarterly reporting obligations
2	Storm Water and Sediment Management Plan	Complete all tasks	20090326	In Process	
3	Storm Water and Sediment Management Plan	Update 2003 Reclamation and Water Management Plan to include a commitment to perform an additional surface hydrology study of the Yosemite drainage.	20080611	Completed 2008-06-09	
3-a	Storm Water and Sediment Management Plan	Issue contract for surface water hydrologic study	20080618	Completed 2008-05	Contract awarded to URS
3-b	Storm Water and Sediment Management Plan	Initiate detailed contouring in the study area	20080618	(n-Process	Mapping received October 28, 2008 and distributed to URS and T&I for the advancement and completion of the work awarded to them.
4	Storm Water and Sediment Management Plan	Update the schematic/typical design drawing for installed BMP's (desilting basins) and the Eastside Collection System	20090227	In Process	Updating work in AutoCAD was begun
5	Storm Water and Sediment Management Plan	Complete engineering drawings of engineered structures (riser pipes and overflow inlet structure).	20090227	In Process	AutoCAD work underway
6	Storm Water and Sediment Management Plan	Completion of a surface water hydrologic study and include as an appendix to the 2003 Reclamation and Water Management Plan	20090227	In Process	Initial rough draft received and reviewed by KUCC the week of December 15, 2005
7	Storm Water and Sediment Management Plan	Include updated schematic/design drawing of desilting basins and the Eastside Collection System as well as engineering drawings as an Appendix to the 2003 Reclamation and Water Management Plan.	20090326	In Process	Updating work in AutoCAD was begun.
8	Storm Water and Sediment Management Plan	Update text within 2003 Reclamation and Water Management Plan to include a reference to the appendix with the drawings.	20090326	To Be Completed	
9	Sediment Sampling and Removal	Update text within 2003 Reclamation and Water Management Plan to include a reference to the appendix with the drawings.	20081024	Completed 2005-06-09	
10	Sediment Sampling and Removal	Update 2003 Reclamation and Water Management Plan to include general wording regarding sediment sampling methodology similar to text submitted March 20, 2008	20080611	Completed 2008-08-09	
11	Sediment Sampling and Removal	Completion of sediment sampling	20080827	Completed 2008-04-21	No. P. Leader Bright St. L.
12	Sediment Sampling and Removal	Submittal of analytical results and a map showing the location of the excavated sediment, sampling locations, and Copper Notch.	20081024	Complete: 2008-10-21	
13	Additional Slope Stability Study for Waste Rock within the South End Drainages	Complete all work for submittal of the additional waste rock stability study and results of DAN-W as an appendix to the 2003 plan	20090728	To Be Completed	
14	Additional Slope Stability Study for Waste Rock within the South End Drainages	Update the text within the 2003 Reclamation and Water management Plan to include a commitment to perform DAN-W modeling and an additional slope stability study.	20080611	Completed 2008-00-09	
15	Additional Slope Stability Study for Waste Rock within the South End Drainages	Update the text within the 2003 Reclamation and Water management Plan to show that the original August 16, 2004 slope stabilization study has been completed and attach the study as an appendix to the 2003 plan.	20081024	Completer 2006-10-21	
16	Additional Slope Stability Study for Waste Rock within the South End Drainages	Complete all #16 Tasks	20090728	To Be Completed	See Summary 16-a & 16-b
16-a	Additional Slope Stability Study for Waste Rock within the South End Drainages	Award contract and initiate work on DAN-W	20080619	Completed 2008-01	Joergen Pilz (Rio Tinto-T&I) awarded work in January 2008: task 75% complete
16-b	Additional Slope Stability Study for Waste Rock within the South End Drainages	Initiate work on additional waste rock stability study	20080619	Completed 2008-01	Joergen Pilz (Rio Tinto-T&I) awarded work in January 2008; task 60% complete; waiting on completion of Dan-W modeling.